## Asia-Pacific Security Studies



# "ROK's Nuclear Experiments: A Successful Case of Alliance Management"

Asia-Pacific Center for Security Studies Volume 4 - Number 4, March 2005

### **Key Findings**

that a small group of its scientists had conducted secret nuclear experiments in 1982 and 2000 led to two developments that threatened to complicate the resolution of the North Korean nuclear crisis. First, South Korea and the United States held conflicting views over the disposition of the ROK's nuclear issue by the International Atomic Energy Agency (IAEA) and, second, North Korea attempted to use the incident to pursue its own

The disclosure by the government of South Korea (ROK) on September 2, 2004

self-interested agenda.

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The ROK government opposed the IAEA from reporting the nuclear experiments to the Security Council for possible sanctions because Seoul was worried that the referral would interfere with the peaceful resolution of the North Korean nuclear problem and improving its relations with North Korea.

While the US government demanded strict accounting of ROK's nuclear experiments, it wanted to avoid undue friction with ROK over the disposition of the nuclear issue in order to secure ROK's cooperation in resolving the North Korean nuclear problem.

The intense lobbying by ROK to contain the fallout from the incident and the circumspect role of the US in handling the disposition of the nuclear issue effected a favorable decision by the IAEA's Board of Governors not to refer ROK to the Security Council.

North Korea (DPRK) tried to parlay the incident not only to deflect criticism of its suspected nuclear arms program by placing the onus for the nuclear problem on ROK and US, but also into a possible bargaining chip in the six-party talks to extract concessions from the other countries.

ROK and US resolved their differences over the disposition of the nuclear issue through mutual understanding and restraint.

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REPORT DATE 1AR 2005 2. REPORT TYPE			3. DATES COVERED <b>00-00-2005</b> to <b>00-00-2005</b>		
4. TITLE AND SUBTITLE  'ROK's Nuclear Experiments: A Successful Case of Alliance Management'				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES)  Asia-Pacific Center for Security Studies,2058 Maluhia  Road,Honolulu,HI,96815				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAIL Approved for publ	LABILITY STATEMENT ic release; distributi	ion unlimited			
13. SUPPLEMENTARY NO <b>The original docum</b>	otes nent contains color i	images.			
14. ABSTRACT					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF	18. NUMBER	19a. NAME OF
a. REPORT unclassified	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE unclassified	ABSTRACT	OF PAGES 4	RESPONSIBLE PERSON

**Report Documentation Page** 

Form Approved OMB No. 0704-0188 The startling disclosure by the South Korea government on September 2, 2004 that a small group of its scientists had conducted secret nuclear experiments in 1982 and 2000 raised immediate concerns about implications for the six-party talks to resolve the North Korean nuclear crisis, including relations among three principals in the talks-ROK, North Korea, and the United States. The first concern was that the revelations might put a strain on ROK and US relations arising from their differing views over the disposition of the ROK's nuclear issue by the IAEA; and second was that the DPRK might take advantage of the incident to pursue its own self-interested agenda. Of the two, the possible negative impact of the ROK's nuclear activities on ROK-US relations was the bigger concern among many observers. With ROK-US relations showing strain over the proper negotiating strategy toward DPRK, it was feared that further differences between ROK and US over the South Korean nuclear issue might aggravate their relationship and, thus, impede the progress of the six-party talks.

The unease with which the news of the secret nuclear experiments was received in many quarters was not surprising given the sensitivity surrounding the nuclear proliferation issue especially since 9/11 and the crisis over the North Korean nuclear program. Though a November 2004 statement by the International Atomic Energy Agency, the United Nation's nuclear watchdog, ultimately absolved ROK of any serious wrongdoing and allayed much of the initial apprehension over the possible fallout from the nuclear experiments, some of the initial concerns have been borne out by subsequent developments.

The ROK nuclear issue has already had a negative effect on the progress of the six-party talks. Not surprisingly, DPRK has placed another obstacle in resolving its nuclear problem by making the accounting of ROK's nuclear experiments one of the preconditions for opening the next round of the currently stalled six-party talks. Unfortunately, this development may not be the last of the possible negative repercussions arising from ROK's failure to notify IAEA of its nuclear activities as required by its 1999 signature of the Additional Protocol, a supplement to the nuclear Non-Proliferation Treaty (NPT)

## Impact of ROK's Nuclear Activities on ROK-US Relations

The ROK-US conflict over the disposition of the South Korean nuclear issue by the IAEA was set off when ROK announced in September 2004 that a small group of its scientists had engaged in nuclear experiments to extract plutonium in 1982 and enrich uranium in 2000 without official knowledge or approval. The disclosure came due to mounting inquiry and evidence of nuclear experiments involving plutonium processing and uranium enrichment uncovered by the IAEA, as part of its more rigorous inspection of ROK's nuclear facilities initiated by the Additional Protocol agreement that ROK had signed. (This agreement permits inspectors to conduct more intrusive, short-notice nuclear inspections than the Nuclear Nonproliferation Treaty (NPT), and requires signatories to report all nuclear activities regardless of whether they have military applications.) Once the Korean government publicly admitted that its scientists had conducted unauthorized nuclear experiments, it moved quickly to limit the potential fallout from the incident for fear of exacerbating what many already regarded as a serious violation of the safeguards agreement by ROK.

The government downplayed the significance of the incident by strenuously denying that it was harboring a covert nuclear reprocessing or enrichment program, let alone a secret nuclear arms program. It claimed that the failure to report the nuclear activities constituted technical violations of the safeguard agreement but did not violate the main Nuclear Non-Proliferation Treaty itself. To dispel any suspicions that it had been trying to develop a nuclear capability, it emphasized that the scientists had conducted isolated, small-scale laboratory experiments for the domestic production of nuclear fuel for the country's civilian nuclear program, as well as for pure scientific research. It also claimed that the amount of enriched uranium that was produced was such an insignificant amount that it could hardly be linked to a

nuclear weapons program. To remove any doubt about its intentions, moreover, the ROK government promised to fully cooperate with IAEA's investigation of its nuclear activities.

In addition to a vigorous public relations campaign, the Korean government launched an intense diplomatic effort to limit the damage from the public revelations about its nuclear activities. ROK began lobbying the US government by publicly declaring its opposition to any US move to refer the ROK nuclear issue to the Security Council, as well as sending a trusted aide of the South Korean President Roh Moo-hyun-Lee Jong-seok, deputy head of the National Security Council-to Washington to seek personal assurances from high-level officials that US would not seek to press the ROK nuclear issue with the IAEA. The ROK government also lobbied the IAEA to insure that the latter would act expeditiously to resolve the nuclear issue by its Board of Governors without referring the matter to the Security Council for possible sanctions. In addition, it dispatched a high-level delegation led by Vice Foreign Minister Choi Young-jin to agency's headquarters in Vienna to insure a favorable outcome at the meeting of the IAEA's Board of Governors on November 25.

## ROK Interests in Containing the Fallout from the Nuclear Experiments

The ROK government's all-out effort to contain the political fallout from the incident was driven by an overriding concern that the controversy over the nuclear issue might endanger its two paramount policy goals: seeking a speedy, peaceful resolution of the North Korean nuclear crisis and improving its relations with DPRK. ROK was worried that suspicions about its secret nuclear experiments resulting from a long drawn-out controversy over the nuclear issue might seriously damage its reputation and credibility in the international community and, more importantly, with the other partners in the six-party talks-China, Japan, Russia, and US. In fact, for the ROK, the prospect of IAEA's Board of Governors deliberating whether to refer ROK to the Security Council was bad enough (so far there have been only five countries whose cases were discussed by the IAEA's Board of Governors: North Korea, Iraq, Romania, Libya, and Iran), but the possibility of IAEA referring ROK to the Council, which would imply that its nuclear efforts were on par with the nuclear programs of DPRK and Iran, was unthinkable given the disastrous impact it would have on ROK's standing in the international community and among its partners in the six-party talks.

The ensuing damage would undermine ROK's ability to play a vital role in resolving the DPRK nuclear crisis, since it needs all the good will and credibility it can muster internationally, as well as from its partners, in support of its policy of peacefully resolving the nuclear impasse with DPRK. In order to win that support, ROK needs to show it is truly committed to a nuclear-free Korean peninsula in contrast to DPRK whose existing nuclear program is threatening to undermine peace and stability in the Korean peninsula. Therefore, the controversy over the nuclear issue would undermine ROK's ability to influence its partners in seeking a peaceful, negotiated settlement of the North Korean nuclear crisis by undercutting its legitimacy in pressing DPRK to dismantle its nuclear program.

The ROK's concern that the nuclear issue might have a negative impact on the relations with its partners was partially borne out by their initial, critical response to the experiments. The sharpest criticism came from Japan, which reacted with alarm and suspicion. Japan's chief cabinet secretary, Hiroyuki Hosoda, called for strict inspections by saying that the experiments were "inappropriate" and that the international community "must not allow this to lead to development of nuclear weapons." China's foreign ministry also responded to the ROK's disclosure by calling for additional international safeguards, while the Russian counterpart urged ROK to cooperate "in an open and transparent manner with the IAEA" in its investigation of the experiments. The US State Department spokesman Richard Boucher gave a guarded response by criticizing ROK for having engaged in experiments that it should not have conducted, but praised the ROK government for working in a transparent manner with the IAEA to terminate its nuclear activities. Given

these reactions, the ROK's concern about the damage to its credibility was not entirely misplaced.

Second, ROK also feared that the nuclear issue would endanger the peaceful resolution of the North Korean nuclear crisis by setting an ominous precedent for referring DPRK to the Security Council for sanctions, which US has threatened to do if DPRK does not dismantle its nuclear program. The ROK government felt that if its violations of the safeguards agreement (considered minor in comparison to DPRK transgressions) merited referral to the Security Council, the US case for referring DPRK to the Council in order to impose sanctions would be strengthened. Since DPRK has declared that they would construe the United Nation's sanctions on DPRK as a declaration of war, increasing the likelihood of the DPRK's referral to the Security Council would be highly detrimental to the peaceful resolution of the North Korean nuclear crisis-a core South Korean interest.

Lastly, ROK felt that the nuclear issue might seriously hamper its efforts to improve relations with DPRK under its engagement policy by giving a pretext for DPRK to suspend high-level governmental talks, as well as economic cooperation and exchange with ROK. This concern too has been borne out by DPRK announcement that improvement of inter-Korean relations is conditional upon thorough accounting of ROK's nuclear activities in the six-party talks. For the ROK, the possible lack of progress in inter-Korean relations is particularly worrisome since it believes that, quite apart from the importance of improving inter-Korean relations in the long term to gradually reduce tension in the Korean peninsula, the lack of progress in inter-Korean relations in the short term would hinder the speedy, peaceful resolution of the North Korean nuclear crisis.

#### <u>Conflicting US Interests in Resolving the ROK</u> <u>Nuclear Issue</u>

While ROK's interests in the peaceful resolution of the North Korean nuclear crisis and improvement of ties with DPRK unequivocally led the South Korean government to firmly oppose the IAEA from possibly referring the nuclear issue to the Security Council, the US interests in opposing nuclear proliferation and, simultaneously, obtaining cooperation of ROK in resolving the North Korean nuclear problem led to a dilemma for the US government over how best to handle the ROK nuclear issue. On the one hand, US's long-standing policy against nuclear proliferation dictated strict accounting of ROK's nuclear experiments that might very well lead to IAEA referring ROK to the Security Council. But, on the other hand, its crucial need for securing ROK's cooperation in resolving the North Korean nuclear crisis militated against creating undue friction with ROK and, thus, favored supporting ROK's position against such a move by the IAEA. Therefore, the US was thrust into a delicate situation that required it to find a balance between the two opposing interests.

US desire to hold ROK accountable for its nuclear activities stemmed not only from its long standing opposition to nuclear proliferation in East Asia evidenced by preventing ROK and Taiwan from developing a nuclear capability in the 1970s, but also from the added urgency of the nuclear proliferation problem since 9/11. Made acutely aware of the catastrophic consequences of terrorists carrying out their deeds with weapons of mass destruction, the US government made nuclear non-proliferation one of the priorities in its war against terrorism. It concluded that nuclear weapons in the hands of rogue states and the possible transfer of those weapons to terrorists posed an unacceptable threat to US security. This heightened concern led President Bush to declare that US would not tolerate rogue states such as Iraq, Iran, and DPRK-the "Axis of Evil"-from threatening US with nuclear weapons.

In order to ward off such a threat, US has not only resorted to military action as in the case of Iraq but has been adamant in preventing rogue states from acquiring a nuclear weapons program by threatening to go to the Security Council to impose sanctions as in the case of Iran and DPRK. Therefore, given US's avowed commitment to non-proliferation since 9/11, it could neither significantly downplay much less ignore ROK's violations of the safeguards agreement without exposing itself to charges of hypocrisy-that is, applying a double standard by ignoring the nuclear problem for its allies but not for its avowed enemies. This inconsistency would seriously weaken US credibility and, thus, its ability to mobilize international opinion in favor of

taking an uncompromising stand against those countries it suspected of developing or possessing nuclear capabilities. Therefore, the logic of US antinuclear proliferation policy demanded strict accounting of ROK's nuclear activities by IAEA and, by implication, referring ROK to the Security Council if found in violation of the safeguards agreements.

While US interests in nuclear non-proliferation pulled it in one direction, there were other equally compelling interests that pulled it in the opposite direction. In order to resolve the North Korean nuclear problem, US could not afford to alienate ROK over the disposition of the nuclear issue by IAEA. In fact, this conflict might not have been so troubling if it were not for the unavoidable fact that US needs ROK's cooperation and support in resolving the North Korean nuclear crisis. With signs of growing disagreement over the negotiating strategy toward DPRK as ROK and China publicly call for greater flexibility on the part of US in order to persuade DPRK to return the negotiating table, US needs more than ever to forge a consensus among the five parties-ROK, China, Russia, and Japan-in dealing with recalcitrant DPRK. Therefore, if the US pressed too hard in the accounting of ROK's nuclear activities, this action certainly would create friction between ROK and US. It would also further risk inflaming Korean public opinion that is already critical of the US for what it perceives to be a hard-line policy toward DPRK. Therefore, by alienating ROK over this issue, US would have greater difficulty in eliciting ROK cooperation in dealing with DPRK as the stalled sixparty talks approach a critical juncture in the negotiations.

Given the dilemma faced by the US, it has tried to balance the conflicting interests by appearing to be firm in its insistence on strict accounting of ROK's nuclear experiments while, at the same time, circumspect in its support of referring ROK to the Security Council. Following the incident, US officials claimed they had informed the ROK government that they consider the charges about the nuclear experiments to be serious and would apply the same standards to the South Korean case, as they would to any country found to be violating the NPT. The US Undersecretary of State, John Bolton, underscored this position when he stated that US would not apply a double standard on countries found to have violated the safeguards agreements. Therefore, depending on the IAEA's report of its findings on the ROK's nuclear experiments, US made it clear that it could not discount the possibility of supporting IAEA's referral of ROK to the Security Council. As if to prepare ROK for this possibility, Bolton even suggested, much to the consternation of ROK officials, that it might be in the best interest of ROK to have the nuclear issue aired by the Security Council in order to prove that the nuclear experiments were not a part of a weapons program.

While the US was emphatic about its position of not applying a double standard in the South Korean case, it also made clear that it did not consider the gravity of the charges leveled against ROK's nuclear experiments to be on par with those of the nuclear programs of North Korea and Iran. US Secretary of State, Colin Powell, was quoted in the Korean press (in Korean translation of his remarks in English) as saying there was no comparison with the secret nuclear experiments previously carried out by South Korea and ongoing atomic programs in North Korea and Iran (a sentiment echoed by IAEA's director general, Mohamed ElBaradei). Thus, while the US showed that it was committed to nuclear nonproliferation by declaring that it would not adopt a double standard in dealing with the ROK's nuclear experiments, it also tried to smooth over the disagreement with ROK over this issue by differentiating the seriousness of South Korean experiments with North Korean and Iranian nuclear activities.

US continued to walk a fine line between its commitment to anti-nuclear proliferation and minimizing friction with the ROK government at the meeting of the Board of Governors in Vienna. According to the press reports, US favored reporting ROK to the Security Council initially at the meeting, not for sanctions, but for informational purposes and also as a matter of principle in order to not set a precedent for Iran to avoid being brought to the Council for sanctions. But later the US retreated from this position and the US charge d'affairs, George Glass, praised ROK on its cooperation in working with the IAEA and told the board that ROK had set an example for "resolving outstanding safeguards issues, cooperation with the agency, not confrontation and delay, transparency not obfuscation." US made further gesture in favor of ROK by supporting "ordinary inspections" rather than the more tough "special examinations" by the IAEA into unresolved issues in the South

Korean case. Therefore, by carefully balancing the demands made by its conflicting interests, US was able to avoid placing undue strain on the bilateral relations with ROK at a crucial juncture in the six-party talks.

#### Impact of ROK's Nuclear Issue on Inter-Korean Relations

The second major concern raised by the ROK's nuclear experiments was that DPRK might take advantage of this issue to advance its own self-interests and, thus, complicate the resolution of the North Korean nuclear problem. This concern to a far greater extent than that of the possible friction in ROK-US relations raised by the ROK's experiments has been borne out by subsequent actions taken by DPRK. DPRK has tried to parlay the incident not only to deflect criticism of its suspected nuclear arms program by placing the onus for the nuclear problem on ROK and US, but also into a possible bargaining chip in the six-party talks to extract concession from the other countries. In the first public announcement over this issue, DPRK accused ROK of initiating a military arms race in the Korean peninsula and, thus, implying that ROK was responsible for DPRK developing its nuclear capability. It also accused the US of hypocrisy by demanding DPRK to dismantle its nuclear program while not only ignoring but also secretly abetting ROK with its nuclear development. Along with the US, DPRK has lambasted IAEA for hushing up the secret nuclear experiments by not fully investigating the ROK's nuclear activities. Therefore, DPRK has attempted to use the incident to place the onus and blame for the nuclear problem on ROK and US in order to blunt international opprobrium over its suspected nuclear arms program.

In addition, DPRK has attempted to parlay the incident into a future bargaining chip to possibly extract concessions from the other countries by insisting that, unless ROK's secret nuclear experiments are included on the agenda as an issue having top priority, it would not participate in the future talks. By using the incident as a pretext for delaying the next round of sixparty talks, it is hoping to win significant concessions for its future participation in those talks. Although ROK government rejected DPRK's demand initially, the South Korean Minister of Unification, Chung Dong-young stated in December 2004 that the government is willing to fully discuss the nuclear issue in the talks, although the top priority must be given to the North Korean nuclear problem. According to Chung, "at the next round of sixparty talks, if and when they are held," the government "can explain all the processes, beginning with our nuclear experiments, the inspection by the U.N. nuclear watchdog and the closing of the issue." The ROK apparently does not want to give DPRK an excuse either to delay the talks or to place obstacles on improving inter-Korean relations. It remains to be seen whether ROK's offer to place its nuclear activities on the agenda will satisfy DPRK and, if the issue is placed on the agenda, what impact that will have on the future of the six-party talks.

The palpable unease with which the news of the ROK's secret nuclear

experiments was first received in many quarters has now been followed by a collective sigh, in part because the source of the possible friction between ROK and US over the disposition of the nuclear issue by IAEA has been removed by the Board of Governors' decision not to refer ROK to the Security Council. The intense lobbying by ROK and the circumspect role of the US in handling the nuclear issue have effected a favorable outcome by the Board of Governors. In the meeting, the Board issued a seven-point chairman's statement declaring that Seoul's failure to report its nuclear activities in violation of the safeguards agreement was a matter of serious concern. But ROK's activities did not warrant the reporting of South Korea to the Security Council because first, the "quantities of nuclear material involved were not significant," and second, "there is no indication that the undeclared experiments have continued." Lastly, the Board stated that it "welcomed the corrective actions (including tightening controls on nuclear materials and special training for atomic scientists) taken by the Republic of Korea and active cooperation it has provided the agency."

In contrast to ROK's assessment that the "the controversy over the nation's nuclear material experiments has been fairly and properly evaluated and concluded by the IAEA," the DPRK official response to the IAEA decision has been overwhelmingly negative. Unremitting in its criticism of ROK, US, and IAEA throughout the ROK nuclear affair, DPRK asserted that it was left with no option but to increase its nuclear deterrence, that US was "worthless" as a negotiating partner, that it could not abandon its nuclear program or improve ties with ROK until questions about ROK's nuclear activities were clearly answered, and that ROK's nuclear issue would have the highest priority at the future six-party talks. Although the IAEA's decision has brought closure to the ROK nuclear issue for the ROK, IAEA, and US, it has not done so for the DPRK. It remains to be seen how DPRK will use the ROK's nuclear issue to gain leverage in the future six-party talks.

The ROK nuclear affair has highlighted two important points that the five principals in the six-party talks-ROK, Japan, China, Russia, and US-need to be mindful of in pursuing their common goal of nuclear-free North Korea. First, it is incumbent on South Korea to insure that North Korea is not given any excuse for justifying its nuclear program by creating even the slightest doubt over ROK's nuclear intentions, since a nuclear-free North Korea is only possible in the context of nuclear-free Korean peninsula. Second, five countries are more likely to achieve their common goal of nuclear-free North Korea to the extent that they can maintain internal cohesion and develop a common approach to resolving the nuclear problem. If the countries are divided by sharp differences over their policy toward North Korea, this will encourage North Korea to exploit them to its own advantage. Therefore, the countries need to work together in building consensus and maintaining a common front in dealing with North Korea. In this regard, the efforts of ROK and US to resolve their disagreement over the disposition of the nuclear issue by the IAEA have been encouraging in that they have tried to settle their differences through mutual understanding and restraint.



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The Asia-Pacific Security Studies series contributes to the APCSS mission to enhance the region's security discourse. The general editor of the series is Lt. Gen. (Ret.) H.C. Stackpole, President of the APCSS.

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